

Department: Department of Health and Welfare

Division: Division of Medicaid

Program(s): Enhanced Medicaid Plan

Description: Enhanced FMAP for Home and Community Based Services (HCBS) in ARPA Section 9817

**1. Background:**

Under the American Rescue Plan Act (ARPA), which was signed on March 11, 2021, all Home and Community Based Services (HCBS) is eligible to receive an additional 10% federal match for the period of April 1, 2021 to March 31, 2022. HCBS are those services provided to elderly and physically disabled Idahoans who meet criteria to receive nursing level levels of care, but who remain in their own home or community rather than live in a nursing home. These services include adult day health, attendant care, chore services, and service coordination.

The Division of Medicaid is still awaiting formal guidance on how these funds can be used. ARPA specifically states that these funds must be used to supplement, not supplant, state funds. The Division of Medicaid has provided an estimation, based on current levels of service, of additional federal appropriation needed to meet this increased FMAP. There is no state matching requirements for these funds.

Due to the timing of eligibility for the use of this enhanced FMAP, the Division of Medicaid is requesting both a supplemental appropriation for FY 2021 and a FY 2022 enhancement; both are onetime.

**2. Agency Request FY2021:** The agency requested the following additional appropriation for FY 2021:

Fund	Type	OT	FTP	PC	OE	CO	TB	Total
0220-02	Fed	✓	0.00	\$ -		\$ -	\$ 16,000,000	\$ 16,000,000

**Action:** *I request unanimous consent to reopen the fiscal year 2021 budget for the Department of Health and Welfare, Division of Medicaid.*

**Motion:** *I move for fiscal year 2021, for the Department of Health and Welfare in the Division of Medicaid, an additional \$16,000,000 onetime from the Cooperative Welfare (Federal) Fund for the purpose of enhanced reimbursement rates for home and community based services.*

**3. Agency Request FY2022:** The agency requested the following additional appropriation for FY 2022:

Fund	Type	OT	FTP	PC	OE	CO	TB	Total
0220-02	Fed	✓	0.00	\$ -	\$ -	\$ -	\$ 62,000,000	\$ 62,000,000

**Action:** *I request unanimous consent to reopen the fiscal year 2022 budget for the Department of Health and Welfare.*

**Motion:** *I move for fiscal year 2022, for the Department of Health and Welfare in the Division of Medicaid, an additional \$62,000,000 onetime from the Cooperative Welfare (Federal) Fund for the purpose of enhanced reimbursement rates for home and community based services.*

***Language is on page 2***

**Language:** *I request unanimous consent to include the language as shown on the screen, and have it apply to the Division of Medicaid for both FY 2021 and FY 2022.*

SECTION \_\_. Notwithstanding the provisions of Section 56-265, Idaho Code, and any other provision of law to the contrary, home and community based providers enrolled and in good standing with Medicaid shall receive an increase to any regular reimbursement otherwise received from the Division of Medicaid for home and community based services funded by the 10% FMAP increase as provided in P.L. 117-2 for the period April 1, 2021, or upon release by the Centers for Medicare and Medicaid Services (CMS), whichever is sooner, through March 31, 2022 or until funds appropriated for this purpose are expended. This increase shall be used solely for temporary pay increases or bonuses for direct care workers subject to guidance from CMS and federal limitations for the funds. In order to receive any increase related to this section, the provider must sign a statement acknowledging that the increase is only available for the time period specified by this section. Further, this increase is provided with onetime federal funding for a onetime purpose and shall not obligate the department to spend or request ongoing funds for fiscal year 2023, or obligate the Legislature to provide an appropriation for ongoing pay increases.